

SOUTH DAKOTA ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Overview

Other than reduced fuel tax for alternative fuels, the State of South Dakota does not offer any incentives for alternative fuel vehicles (AFVs). A South Dakota utility offers incentives for converting to compressed natural gas (CNG) on a case-by-case basis.

State Incentives

South Dakota does not have any incentives for AFVs. For more information, contact Dale Knapp at the Governor's Office of Economic Development, at (605) 773-5032.

Utility/Private Incentives

Montana-Dakota Utilities Co. offers incentives for conversions to compressed natural gas (CNG) on a case-by-case basis. Montana-Dakota Utilities Co. operates 3 CNG refueling stations in South Dakota. Contact Steve Redding at (701) 222-7975 for additional information.

The National Ethanol Vehicle Coalition (NEVC) is an ad hoc group created by the National Corn Growers Association (NCGA) and the Governors' Ethanol Coalition (GEC) to establish a national program to promote the use of 85% ethanol fuel (E85) as an alternative fuel, enhance agricultural profitability, advance environmental stewardship, and further national energy independence. Through a cooperative effort with the NCGA and its state affiliates, the GEC, state energy offices, and the U.S. Department of Energy, NEVC provides forgivable loans for the installation of public E85 fueling facilities. For more information, contact Phil Lampert at (573) 635-8445 or Sandy Hentges at (573) 636-8590.

Laws & Regulations

Senate Bill (SB) 241 (1993) was enacted to define certain alternative fuels and provide for the taxation of alternative fuels.

Public Law 93-104 removed the sales tax on labor and equipment and abated the property tax for fueling stations of CNG and ethanol.

Property used for storing and dispensing alternative fuels is exempt from the ad valorem tax.

Conversion services and equipment are exempt from the sales and service tax.

Alternative fuels are taxed at 6¢/gallon.

A 2¢/gallon excise tax exemption is available for 10% ethanol blends (E10) sold in the state.

The state requires that its fleet vehicles be fueled with E10 whenever practical.

SB 260 increased funding for the Ethanol Fund from \$167,000 to \$208,677. The Ethanol Fund provides the 20¢/gallon production incentive for fuel ethanol produced in the state.

In 1990, the legislature adopted a resolution to encourage the Federal government to develop and expand the use of alternative fuels.

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Points of Contact

South Dakota State Energy Office

Governor's Office of Economic Development

Energy Policy

Dale Knapp (605) 773-5032

Montana-Dakota Utilities Co.

Steve Redding (701) 222-7975

National Ethanol Vehicle Coalition

Phil Lampert (573) 635-8445

Sandy Hentges (573) 636-8590

South Dakota State Transportation Contact

Department of Transportation

James Jenssen (605) 773-3174

U.S. Department of Energy

Regional Support Office

Denver Regional Support Office

Ernie Oakes (303) 275-4817

U.S. Department of Transportation Contacts

Federal Highway Administration

Region 8

Robin Smith (303) 969-6712
extension 327

Federal Transit Administration

Region 8

Don Cover (303) 844-3242

General Services Administration

Regional Fleet Manager

Region 8

Irv Merwin (303) 236-7591

U.S. Environmental Protection Agency

Regional Pollution Prevention Coordinators

Region 8

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